

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RE: ESTABLISHING BILLING AND TERMINATION PRACTICES
FOR TELECOMMUNICATIONS CARRIERS

DTE 06-8

INITIAL COMMENTS OF THE NATIONAL CONSUMER LAW CENTER

EXECUTIVE SUMMARY

The National Consumer Law Center (“NCLC”) recommends that the Department consider protecting and promoting access to basic wireline and wireless telecommunications service for low-income households as a key function of this proceeding.

Phone service is a modern necessity, and federal telecommunications policy strongly supports making telecommunications service available to all Americans, including low-income households who may have a hard time paying for those services. 47 U.S.C. § 254 (b).

We believe that strong, enforceable consumer protection rules concerning the day-to-day telecommunication needs of low-income clients are necessary to encourage a healthy marketplace. NCLC urges the Department to formally adopt regulations, not just guidelines, that promote affordable basic telecommunications service to low-income consumers.

NCLC urges the Department to establish mandatory and specific requirements regarding billing, terminations, disclosure of information, and protections for vulnerable consumers, in order to protect consumers. The current nature of the telecommunications

marketplace, which is becoming more competitive, dictates that the Department take a more active role when it comes to protecting low-income and elderly consumers.

NCLC urges the Department to carefully monitor and regulate the offering of bundled services and the terms and conditions that apply to those services. Bundled service offerings pose particular problems for low income consumers, as detailed in the full comments NCLC has filed.

NCLC strongly supports the notion that carriers should be required to provide written information about service offerings, rates and terms and conditions to prospective customers, and to current customers on request.

In addition, carriers should be required to provide current and prospective customers information about payment options and all available consumer protections, such as those that prohibit or limit terminations to the seriously ill, elderly, or those having a personal emergency.

It is extremely important for carriers to disclose clear, complete and accurate information about their service offerings, rates, terms and conditions to prospective customers because of the large number of service offerings and the complexity of their terms.

Clear and accurate billing is essential for a functional marketplace, and the Department should maintain and extend the telecommunications billing rules in Part 3 of DPU 18448 to provide consumers with an essential tool for comparison shopping and protections from cramming and slamming. In particular, government mandated charges must appear in a separate section of the bill.

Paper billing is still necessary for many low-income consumers who are less likely to have Internet access at home. From the consumer's perspective, electronic billing is not equivalent to paper billing. In light of the differences between paper mail and e-mail, NCLC urges the Department to require paper billing as the standard format for billing, unless the consumer expressly consents to electronic billing.

Allowing non-telecommunications products and services to be charged to the phone bill makes those phone bills more complicated and confusing and increases the risks of cramming. In the interest of preventing fraud, NCLC urges the Department not to allow non-telecommunications charges on already-complicated phone bills.

Customers should not be required to produce social security numbers. Many customers, especially recent immigrants, simply will not have a social security number. Other customers are unwilling to provide a social security number out of concern about identity theft or the desire to protect information deemed private. These customers should not be forced to disclose their social security numbers. NCLC is not aware of any state that requires a customer to provide a social security number.

Carriers should only be allowed to refuse service on the basis that the applicant owes money to that carrier for prior telecommunications service.

NCLC urges the Department to formally adopt as regulations the policies now incorporated in Rule 4.5 regarding limitations on deposits, interest earned on deposits, and return of deposits.

NCLC continues to oppose the imposition of late charges on residential customers. However, in light of the fact that the Department just approved Verizon's tariff allowing for late charges, NCLC urges the Department to expand the categories of

customers who are exempt from the late charge beyond just Lifeline customers, to include households receiving fuel assistance, food stamps, TAFDC, Medicaid, SSI, school free lunch program or discounted rates from any regulated electric or gas company in Massachusetts.

Carriers should be prohibited from charging late fees on deferred payment arrangements, to make those plans a little more affordable to the customer.

Paper notice of termination must be provided to consumers. Electronic communications are more problematic than paper billing from the consumers' perspective in terms of cost, disruption of access and ability to get lost in a sea of spam.

NCLC strongly urges the Department to retain the current disconnection protections for seniors and to adopt them as formal regulations.

NCLC strongly encourages the Department to adopt as formal regulations applicable to carriers the complaint and dispute resolution rules contained in Part 6 of DPU 18448. In the absence of mandatory rules, many consumers will be left without a route to air their disputes or obtain a satisfactory resolution of the dispute.

In light of what NCLC sees as a fairly high and consistent level of complaints about the difficulty in accessing information about Lifeline/Link-up and enrollment of eligible customers on those programs, the Department should investigate in this docket or in a new docket whether regulatory or other changes are needed to increase the penetration rate of these related programs.

NCLC also strongly urges the Department, after it reviews this first round of comments and reply comments, to prepare a draft set of proposed rules and/or governing policies and principles that parties will be allowed to comment upon

before any final order or decision in this docket. The Department will achieve a far better and more equitable result if it allows all parties at least one opportunity to offer comments and reply to the comments of others.

Respectfully submitted,

Charles Harak, Esq. (charak@nclc.org)
Olivia Wein, Esq. (owein@nclcdc.org)
National Consumer Law Center
77 Summer St., 10th fl.
Boston, MA 02110
617 542-8010

June 8, 2006